

# HOUSE BILL No. 1475

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 8-23-7; IC 32-24-4.5-1.

**Synopsis:** Disposal of surplus property by INDOT. Allows the department of transportation (INDOT) to dispose of structures situated on land acquired by INDOT by dismantling the structures for salvage or selling the structures for removal. Specifies the procedures for disposing of the structures.

**Effective:** July 1, 2009.

**Walorski**

January 14, 2009, read first time and referred to Committee on Rules and Legislative Procedures.

C  
o  
p  
y



Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## HOUSE BILL No. 1475

---

A BILL FOR AN ACT to amend the Indiana Code concerning transportation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1       SECTION 1. IC 8-23-7-13, AS AMENDED BY P.L.246-2005,  
2       SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2009]: Sec. 13. **(a) As used in this section, "structure"**  
4       **means any dwelling, building, or fixture permanently fixed to real**  
5       **property. The term does not include land, trees, crops, or other**  
6       **plants.**  
7       **(b)** If the department determines that real property owned in fee  
8       simple by the department will not be needed for a purpose described in  
9       section 2 of this chapter, the commissioner may, with the approval of  
10      the budget agency, issue an order describing the surplus property and  
11      offering the surplus property for sale at or above its fair market value  
12      as determined by appraisers of the department. The department may  
13      combine or divide parcels of surplus property to facilitate the sale of  
14      the property.  
15      **(c) This subsection applies if the department determines that a**  
16      **structure owned in fee simple by the department satisfies both of**  
17      **the following requirements:**



C  
o  
p  
y

(1) The structure is located on land that will be needed for a purpose described in section 2 of this chapter.

(2) The structure will not be needed for a purpose described in section 2 of this chapter.

The commissioner may, with the approval of the budget agency, issue an order designating the structure as surplus property. A structure designated as surplus property under this subsection may be disposed of in a manner permitted by section 13.5 of this chapter.

SECTION 2. IC 8-23-7-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13.5. (a) This section applies to a structure that is designated as surplus property under section 13(c) of this chapter.

(b) A surplus structure may be disposed of by:

(1) dismantling the structure in a manner that permits as much of the structure to be salvaged as possible; or

(2) selling the structure to be removed from the land that will be needed for a purpose described in section 2 of this chapter.

(c) Material salvaged from a structure dismantled under subsection (b)(1) may be sold in the same manner as surplus personal property belonging to the state is sold. The proceeds of the sale shall be credited to the department.

(d) If the commissioner determines that a structure is suitable for removal under subsection (b)(2), the structure must be sold in the manner that surplus real property is sold under sections 14 and 15 of this chapter. The person purchasing the structure is responsible for the costs of removing the structure from the land owned by the department. The structure must be removed in the time and manner required by the department.

SECTION 3. IC 8-23-7-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 14. (a) If a real property found to be surplus under section ~~13~~ 13(b) of this chapter abuts a parcel of land from which the surplus real property was separated and acquired by the department, the surplus real property must first be offered for sale to the owner of the abutting property. An offer under this section shall be made by certified mail to the last known address of the owner. If the owner accepts an offer under this section, the surplus real property shall be conveyed to the owner by quitclaim deed upon payment to the department of not less than the fair market value of the real property as determined by the appraisers of the department.

(b) If a structure is:

C  
o  
p  
y



**(1) found to be surplus property under section 13(c) of this chapter;**

**(2) found to be suitable for removal from the land upon which the structure is situated; and**

**(3) situated upon land that abuts a parcel of land from which the land containing the structure was separated and acquired by the department;**

**the structure must first be offered for sale to the owner of the abutting property. An offer under this section shall be made by certified mail to the last known address of the owner. If the owner accepts an offer under this section, the structure shall be conveyed to the owner by quitclaim deed upon payment to the department of not less than the fair market value of the structure as determined by the appraisers of the department.**

SECTION 4. IC 8-23-7-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. If the appraised value of:

**(1) real property determined to be surplus under section ~~13~~ 13(b) of this chapter; or**

**(2) a structure determined to be surplus property under section 13(c) of this chapter;**

does not exceed four thousand dollars (\$4,000), the department may sell the surplus property without advertising or competitive bids for not less than the full appraised value of the surplus property upon approval by the commissioner and the governor.

SECTION 5. IC 32-24-4.5-1, AS ADDED BY P.L.163-2006, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) As used in this section, "public use" means the:

**(1) possession, occupation, and enjoyment of a parcel of real property by the general public or a public agency for the purpose of providing the general public with fundamental services, including the construction, maintenance, and reconstruction of highways, bridges, airports, ports, certified technology parks, intermodal facilities, and parks;**

**(2) leasing of a highway, bridge, airport, port, certified technology park, intermodal facility, or park by a public agency that retains ownership of the parcel by written lease with right of forfeiture; or**

**(3) use of a parcel of real property to create or operate a public utility, an energy utility (as defined in IC 8-1-2.5-2), or a pipeline company.**

C  
o  
p  
y



- 1 The term does not include the public benefit of economic development,  
2 including an increase in a tax base, tax revenues, employment, or  
3 general economic health.
- 4 (b) This chapter applies to a condemnor that exercises the power of  
5 eminent domain to acquire a parcel of real property:
- 6 (1) from a private person;  
7 (2) with the intent of ultimately transferring ownership or control  
8 to another private person; and  
9 (3) for a use that is not a public use.
- 10 (c) This chapter does not apply thirty (30) years after the acquisition  
11 of the real property.
- 12 **(d) This chapter does not apply to a structure disposed of under**  
13 **IC 8-23-7-13.5.**

C  
o  
p  
y

